

**STATE OF RHODE ISLAND
DEPARTMENT OF ADMINISTRATION
OFFICE OF ACCOUNTS AND CONTROL**

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|--------------------------|--------------------------------|--------------------|
| SECTION | POLICY/PROCEDURE NUMBER | |
| | Accounting | A-44 |
| SUBSECTION | EFFECTIVE DATE/ | PAGE NUMBER |
| | June 15, 1994 | / Page 1 of 5 |
| POLICY/PROCEDURE | AMENDMENT | / REVISION |
| Bank Depository Accounts | | / Initial |

POLICY:

The following sections of state law establish the General Treasurer and State Controller as the state officials with authority over all cash receipts and disbursements of the state: 42-10-1; 42-10-9; 42-10-10; 42-10-13; 35-6-7; 35-6-8; 35-6-34; 35-6-36.

Section 11-28-1 of the General Laws requires every person receiving or having in their possession money belonging to the state that should be paid into the state treasury to pay the same to the General Treasurer within seven (7) business days after receipt. This statute requires all monies received on behalf of the State of Rhode Island to be deposited into a bank account within the custody and control of the General Treasurer within seven (7) business days of receipt.

Based on the above statutes, it is the policy of the state to limit the number of bank accounts used for state funds to only those approved by the General Treasurer and State Controller.

However, recognizing that it might not always be economical or efficient to require all state departments and agencies to deposit state cash receipts into a bank account controlled by the General Treasurer, this procedure allows state departments and agencies to request permission to establish a bank account under their jurisdiction for the temporary deposit of state monies. This departmental/agency bank account can only be used as a "clearing" account; state monies would be deposited temporarily into such an account, then "cleared out" upon transfer to the General Treasurer in accordance with Section 11-28-1.

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| SUBSECTION | EFFECTIVE DATE/ | PAGE NUMBER |
| | June 15, 1994 | / Page 2 of 5 |
| POLICY/PROCEDURE | AMENDMENT | / REVISION |
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PROCEDURE:

Creation of New Accounts

Prior to establishment of any such account, the agency shall submit to the State Controller and the General Treasurer, a survey of the need (Form A-15B) for such account. They shall investigate such need, and if determined that it exists and that adequate accounting controls exist, they shall authorize the state department or agency to establish such account.

This account cannot be used as an imprest (petty) cash fund to disburse nominal operative expenses. Procedure A-15 allows for the request of an imprest fund for that purpose.

A state department or agency is limited to one bank depository clearing account.

The General Treasurer shall complete the Bank Depository Account Authorization letter, sign and return it to the requesting state department/agency. (See Sample letter on page 5). The state agency shall forward it to the financial institution selected for the depository account.

Personal checks/employee advances (or any checks are not to be cashed from the account.

The account must be kept intact and not co-mingled with any other funds or accounts such as the agency's petty cash fund (See Procedure A-15 regarding a request for a petty cash fund).

If there is a change in the custody or location of the account, both the former and the successor custodians should sign a statement showing the exact financial status of the account at the date of change.

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| SUBSECTION | EFFECTIVE DATE/ PAGE NUMBER |
| | June 15, 1994 / Page 3 of 5 |
| POLICY/PROCEDURE | AMENDMENT / REVISION |
| Bank Depository Accounts | / Initial |

Any agency authorized to open such account shall report certain information as requested by the General Treasurer on a semi-annual basis.

Copies should be filed in the following locations:

- Office where the account is located.
- General Treasurer's Office, Reconciliation Department, 40 Fountain Street, Providence, Rhode Island 02903.

The General Treasurer shall be notified of a dissolution of the account. An accounting of its status shall be prepared and sent with Form A-15B to the General Treasurer.

The account is subject to audit at any time by the State Controller, the Bureau of Audits, and the Office of the Auditor General.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
BANK DEPOSITORY APPLICATION/NOTIFICATION

APPLICATION FOR A NEW ACCOUNT

☐

NOTIFICATION OF DISSOLUTION OF ACCOUNT

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DEPARTMENT/AGENCY:

ADDRESS:

RECEIPT ACCOUNT AND
APPROPRIATION ACCOUNT NUMBER:

PURPOSE OF BANK ACCOUNT:

PERSON(S) ACCOUNTABLE FOR BANK ACCOUNT (AUTHORIZED SIGNATURES):

REQUESTED LOCATION OF BANK ACCOUNT:

ANTICIPATED AMOUNT OF BANK ACCOUNT:
(Average Daily Balance)

SURVEY OF NEED:

(Express comments that will justify/explain request:)

Signature of Department/
Agency Director

Date

Tel. No.

APPROVED: ☐

DENIED: ☐

State Controller

Date

APPROVED: ☐

DENIED: ☐

General Treasurer

Date

REASON FOR DENIAL (If Applicable):

SAMPLE

TO:

DATE:

FROM: Office of the General Treasurer

SUBJECT: LETTER OF AUTHORIZATION FOR A NON-TREASURER BANK ACCOUNT

You are hereby authorized to establish a bank account which does not contain the signature of the General Treasurer and/or State Controller. The authorization is provided to establish the following account only.

Account Name: _____

Account Purpose: _____

Account Signatories: _____

Bank: (Authorized Bank for Account) _____

You are to contact the following individual to establish the account: (Bank Official in charge of account groupings).

The Office of General Treasurer reserves the right to review the activity of the account as well as the fees and compensatory balance.

If there are any questions, please contact this office.

cc: Auditor General
Bank Official and Bank